

# EXHIBIT 2

# These Startup Founders and Investors Are Crypto's Rising Stars



By  
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On Tuesday morning, we announced The Information's inaugural Crypto Power List. We spoke to dozens of our closest contacts in the sector and put together our view of the 10 founders, 10 investors and 10 up-and-comers with the most power in the industry.

Some of the names you may recognize. The heads of the major crypto exchanges—

**Coinbase**, **Binance** and **FTX**—were all represented on our list of top founders. In fact, Coinbase garnered a little extra representation, with founder **Fred Ehrsam** and Chief Operating Officer **Emilie Choi** both landing spots on our top investors list, given the portfolios they lead at **Paradigm** and **Coinbase Ventures**, respectively.

But the up-and-comers list includes a few names you may not have heard of, and they are perhaps the most interesting part of the project. Here are a few of the rising stars who should be on your radar:

**Elizabeth Stark**, CEO of **Lightning Labs**: You may have heard about El Salvador's move last year to make bitcoin legal tender. To help facilitate transactions, the country is leaning on the Lightning Network, a payment protocol aimed at making bitcoin more practical, built by a startup called Lightning Labs. Stark leads Lightning Labs, and she aims to address bitcoin's limitations like slow transaction speeds and high transaction costs.

**Nikil Viswanathan**, CEO of **Alchemy**: This fast-growing startup powers much of the back end of blockchain. Stablecoin issuer **Circle** and NFT marketplace **OpenSea** (whose founders are also on our list) rely on Alchemy to connect their products to the **Ethereum** blockchain. The company has a long list of investors, ranging from **Andreessen Horowitz** and **Pantera Capital** to **Will Smith** and **Jay Z**, according to Crunchbase. And the company's valuation has surged 20 times in less than a year, rising to \$10.2 billion at the end of February, from \$505 million in April 2021.

**Do Kwon**, CEO of **Terraform Labs**: In order to keep the price of the stablecoin pegged to a specific fiat currency, stablecoin issuers must keep cash reserves on hand. Some see this as a limitation, given that those cash reserves are centralized. Terraform Labs hopes to address that limitation with a new type of stablecoin. The company is building the **Terra** blockchain, which is powered by its native LUNA tokens—

the ninth most valuable tokens at the moment, with a circulating market cap of \$34 billion. LUNA tokens are used to keep the stablecoin prices pegged to fiat currency algorithmically, eliminating the need for cash reserves.

**Kinjal Shah**, partner at **Blockchain Capital**: Our reporting found more women in top investing roles than women who have founded the biggest crypto companies. Shah is helping to bridge that gap with **Komorebi Collective**, a decentralized autonomous organization (DAO) she founded that invests in women and non-binary crypto founders. In less than a year, the collective has backed six female-founded crypto startups.

Our story discusses all the themes we uncovered in reporting the list, as well as how regulations affected our criteria and how we weighted tokens against equity. We also discuss who didn't make the list, and why. —*Akash Pasricha*

## Yet Another Crypto Fund

We're only two months into 2022, but venture capital earmarked for crypto is already starting to pile up.

On Wednesday, crypto-focused venture capital firm **Electric Capital** raised \$1 billion, which will be spread across two funds. One fund totaling \$400 million will focus on early-stage startups and a \$600 million fund will focus on investments using digital tokens.

Together, the two new funds represent the most money raised specifically for cryptocurrency and blockchain startups this year, and each rank among the largest crypto funds announced in recent months. Other top crypto-focused firms include **Andreessen Horowitz**, which currently has a \$2.2 billion fund and is reportedly raising a \$4.5 billion fund, as well as **Paradigm**, which raised a \$2.5 billion fund in November.

My colleagues Berber Jin and Kate Clark also scooped last month that **Tiger Global Management** had raised \$11 billion out of an expected \$12 billion fund, some of which will likely go into crypto startups, given Tiger's recent investments in cryptocurrency exchanges **FalconX**, **FTX** and **CoinSwitch**.

Electric's \$600 million fund for tokens is the same size as a new fund from venture firm **Sequoia Capital**, which announced last month that it was raising up to \$600 million for its first fund focused solely on crypto startups. Sequoia said that the fund will mostly focus on tokens instead of equity.

All these examples show the massive amount of capital targeting crypto investments. Funds are emerging from traditional venture firms, which for years had largely stayed away from the industry, as well as crypto firms, which until recently hadn't raised the level of funding that Electric, Paradigm and others had. In addition, more of these funds are taking tokens and digital assets rather than traditional equity.

With all of this new capital, 2022 should be another gangbuster year for crypto investments.

Overheard

“To the extent that we’re trying to help institutions and investors solve their portfolio allocation problems, we have to give serious consideration to being a market maker in crypto. It’s fair to assume that over the months to come, you will see us engage in making markets in cryptocurrencies.” —**Citadel** CEO **Ken Griffin**, in an episode of “Bloomberg Wealth With David Rubenstein” that will air on March 22. Griffin’s comments come almost two months after Citadel Securities sold a stake in the firm to **Sequoia Capital** and **Paradigm** for \$1.15 billion.

## Deals & Debuts

**VALR**, a South Africa-based crypto exchange, raised a \$50 million Series B round led by **Pantera Capital**, with investments from **Alameda Research**, **Cadenza**, **Coinbase Ventures** and others.

Payment processor **Shift4** announced it is acquiring **The Giving Block**, a cryptocurrency fundraising startup, for up to \$300 million.

Blockchain company **Subspace Labs**, which develops the Subspace Network, raised a \$32.9 million round led by **Pantera Capital**, with investors that included **Coinbase Ventures**, **Crypto.com** and **Alameda Research**.

**Thetanuts Finance**, a crypto derivatives platform, raised \$18 million in a seed round led by **Three Arrows Capital**, **Deribit** and **QCP Capital**.

Sydney, Australia-based **CryptoTaxCalculator** raised a \$2.9 million seed round led by **AirTree Ventures**, with participation from **Coinbase Ventures** and **20VC**.

## What We’re Reading

Founder of Now-Defunct BitConnect Has Been Indicted for a \$2.4 Billion Crypto Ponzi Scheme (Insider)

Lawyers for Accused Bitcoin Money Launderer Heather Morgan in Talks With Prosecutors to Avoid Trial (CNBC)

Ben McKenzie, Actor Turned Crypto Naysayer (The Cut)

War in the Time of Crypto (Recode)

Thank you for reading the Crypto Global newsletter. I’d love your feedback, ideas and tips: [aidan@theinformation.com](mailto:aidan@theinformation.com).

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